

City of Taylorsville Tax Abatement

During the FY 2007 Budget workshops, the Mayor introduced the concept of Tax Abatement for qualified individuals to offset impact to low income residents of the Utility Franchise Tax. As part of the fiscal year 2006 Municipal budget, The City of Taylorsville will be implementing utility franchise tax on electrical service, natural gas service and communications services. The rates adopted for these services are as follows:

Electrical and natural gas services will include a 6% tax while communications (telephone services) will include a 4% tax.

Qualifications for the Taylorsville Tax Abatement policy were suggested to be the same as qualification for Salt Lake County Circuit Breaker program. Salt Lake County actually has four Tax Abatement programs with I have included information for each below.

Other City's, such as Riverton, utilize the County's qualification for these programs for City sponsored Tax Relief programs where the County Treasurer will convey a list of residents within a particular city who have qualified for the tax relief programs. With this list, the City could send cards to qualifying residents, or simply use the list to verify qualification with a resident applies for reimbursement of taxes on their respective utility bills.

The balance of this document is information developed by Dan Udall and used in our CDBG applications detailing the income levels of Taylorsville residents. The most recent confirmable information was published in 2000 from the 1999 United States census.

Within each Tax Relief Program there are specific eligibility requirements that must be met. The eligibility requirements may change from year to year. Applicants must prove the eligibility requirements are met on an annual basis before tax relief can be granted

In order to be considered for Tax Relief, applicants will be required to provide tax returns and other proofs of income, statements showing savings and investment balances, including retirement accounts, doctor's certifications and other relevant material necessary to support granting of tax relief.

The Statutory Deadline for Filing Tax Relief Applications is September 1, 2006.

Circuit Breaker Tax Abatement Benefits

- Obtain a reduction or abatement of property taxes on your principal residence equivalent to a 20% reduction in fair market value of your property.
- Obtain a credit of up to \$676 against taxes due on a principal residence.

Eligibility Requirements

- You must be the owner of record as of January 1 of the application year.
- You must live in the state of Utah for the entire calendar year.
- You must be age 65 prior to January 1 of the next calendar year.
- Household income (i.e. all income received by all persons of a household for the year prior to the application year) of not more than the amount provided for in statute. See table for income amounts.
- You must not be claimed as a personal exemption on any other individual's tax return.
- You must file an application with the SLC0 Treasurer by September 1.

Circuit Breaker Tax Abatement Table for 2005

If 2004 household income is:

2005 Homeowner's credit is:

\$0 - \$8,624	\$676
\$8,625 - \$11,501	\$591
\$11,502 - \$14,375	\$506
\$14,376 - \$17,250	\$380
\$17,251 - \$20,126	\$295
\$20,127 - \$22,831	\$169
\$22,832 - \$25,369	\$83

Indigent or Hardship Tax Abatement

Benefits

- You can receive an abatement of up to the lesser of the maximum homeowner's credit (see table #1 below) or 50% of any remaining tax due after deduction of any other relief.

Eligibility Requirements

- You must be the owner of record as of January 1 of the application year.
- You must be age 65, or be disabled, or demonstrate other extreme hardship.

- You must live in the residence for which relief is requested for at least 10 months of the year relief is applied for.
- Your total household income generally cannot exceed the amount provided in statute. See table for income details.
- You must include a signed statement setting forth the facts to support eligibility, including inability to pay the tax assessed.
- Persons eligible for abatement of a portion of property taxes may also be eligible for deferral of any remaining tax liability.
- You must file an application with the SLCo Treasurer by September 1 unless the filing deadline is extended.

Indigent and Hardship Abatement Table for 2005

NOTE: this table is the same as the Circuit Breaker Abatement Table but you must use the second table to adjust for the number of family members living in the household

Table #1
If 2004 household income is: 2005 Homeowner's credit is:

\$0 - \$8,624	\$676
\$8,625 - \$11,501	\$591
\$11,502 - \$14,375	\$506
\$14,376 - \$17,250	\$380
\$17,251 - \$20,126	\$295
\$20,127 - \$22,831	\$169
\$22,832 - \$25,369	\$83

Table #2: Adjustment table for # of family members

Household resources	\$ 25,369
Additional allowance for each member of household	\$ 3,132
Maximum relief	50% of tax levied to a maximum of \$676

Disabled Veteran's Exemption

Benefits

- Obtain an exemption of up to \$200,000 of the assessed value of your principal residence and/or tangible personal property (automobiles, recreational vehicles, boats, trailers, motorcycles, etc.), based on a percentage of your disability incurred in the line of duty. No exemption is allowed for a disability less than 10%. Veterans having 100% disability may apply an exemption of \$200,000 to a principal residence and or tangible personal property held for personal use.

- The surviving spouse of a member of the military who was killed in action or who died in the line of duty is exempt from property taxes on a principal residence and any tangible personal property held for personal use.

Eligibility Requirements

- You must be a veteran having a disability incurred in the line of duty, or the un-remarried surviving spouse of a veteran having a disability incurred in the line of duty or of a person who died as a result of service in the military.
- You must be the recorded owner of a residence and/or tangible personal property in the State of Utah as of January 1 of the application year. The term residence does not include a rental dwelling.
- A first time applicant must include a copy of the veteran's certificate of discharge from military service or other satisfactory evidence of eligible military service. Annual applications thereafter must include the current Veteran's Administration form 20-5455 or a letter from the Veteran's Administration showing the combined percentage of disability incurred in the line of duty.
- The surviving spouse or minor orphan of a member of the military who was killed in action or who died in the line of duty must file a copy of DD Form 1300 Report of Casualty together with the exemption application.
- You must file an application with the SLCo Treasurer on or before September 1, unless filing deadline is extended.

Blind Exemption

Benefits

- Obtain an exemption of up to \$11,500 of the assessed value of your real and tangible personal property.

Eligibility Requirements

- The first time applicants must include an ophthalmologist's statement verifying corrected visual acuity of no more than 20/200 in the better eye or a restricted field of vision of no greater than 20 degrees in the better eye.
- You must file an application with the SLCo Treasurer on or before September 1 unless filing deadline is extended.

The following charts are statistics received from the U.S. Census Bureau in the year 2000.

The following chart breaks out Taylorsville's population:

	Number	Percent
Total Population	57,439	100
17 years or younger	17,607	30.7
18 years and over	39,832	69.3
Male	19,640	34.2
Female	20,192	35.2
21 years and over	36,244	63.3
62 years and over	4,547	7.9
65 years and over	3,624	6.3
Male	1,568	2.7
Female	2,054	3.6

Total housing units in 1999 was 19,172 and total occupied housing units in 1999 were 18,578.

The following chart describes 1999 household income statistics:

Income in 1999 – HOUSEHOLDS	Number	Percent
Households	18,513	100.0
Less than \$10,000	648	3.5
\$10,000 to \$14,999	682	3.7
\$15,000 to \$24,999	1,819	9.8
\$25,000 to \$34,999	2,589	14.0
\$35,000 to \$49,999	4,127	22.3
\$50,000 to \$74,999	4,785	25.8
\$75,000 to \$99,999	2,133	11.5
\$100,000 to \$149,999	1,368	7.4
\$150,000 to \$199,999	169	0.9
\$200,000 to more	193	1.0
Median household income (dollars)	\$47,236	

According to the U.S. Department of Housing and Urban Development (HUD), very low and low income housing means housing occupied or reserved for occupancy by households with a gross income equal to or less than 80 % of the median gross income of the metropolitan statistical area or county. As stated the median household income in Taylorsville in 1999 was \$47,236; therefore, 80% of the median household income in 1999 was \$37,788. **Approximately 6,504 households in Taylorsville had incomes of less than 80% of the median income. This amount is approximately 35% of the households in Taylorsville. Therefore, 35% of the households in Taylorsville have low or very low incomes.** Breaking out low and very low incomes, in the year 1999, approximately 3,695 of the households in Taylorsville had low incomes in Taylorsville (51% to 80% of the medium income). In the year 1999, approximately 2,906 households had incomes less than 51% of the city's medium family income, which is considered very low income.

To split up the type of household even further, the following chart illustrates the number of low- income rental and homeowner households:

Low Income Households	
Total moderate income households (51 % to 80 % of median income)	3,695
Total moderate income rental households	1,036
Total moderate income homeowner households	2,562

The following chart illustrates the number of very low-income rental and homeowner households:

Very Low Income Households	
Total low and very low income households (less than 51 % of the median income)	2,906
Total low and very low rental households	837
Total low and very low homeowner households	2,069

The following chart represents the poverty status for Taylorsville in 1999:

Poverty Status in 1999	Number below poverty level	Percent below poverty level
Families	652	4.5
With related children under 18 years	538	6.2
With related children under 5 years	362	9.3
Individuals	3,391	5.9
18 years and over	2,080	5.2
Children under 18 years of age	1,311	7.4
65 years and over	206	6.0
Families with female householder, no husband present	359	16.9
With related children under 18 years	316	21.4
With related children under 5 years	199	30.5

The following chart represents the disability status for Taylorsville in 1999:

Disability Status of Civilian Population	Number	Percent
Population 5 to 20	16,292	100
With a disability	1,161	7.1
Population 21 to 64	33,128	100
With a disability	5,876	17.7
Percent employed	67.1	
No disability	27,252	82.3
Percent employed	82.8	

Population 65 years and over	3,415	100
With a disability	1,493	43.7

The following chart represents monthly owner costs as a percentage of household income in 1999. The following numbers include homes in 1999 that have a mortgage (some households did not have a mortgage):

Selected Monthly Owner Costs as a Percentage of Household Income in 1999	Number	Percent
Less than 15.0 %	3,869	33.9
15.0 to 19.9 %	2,169	19.0
20.0 to 24.9 %	1,508	13.2
25.0 to 29.9 %	1,229	10.8
30.0 to 34.9 %	929	8.2
35.0 % or more	1,672	14.7
Not computed	29	0.3
Total	11,405	100

Typically, a lender allows the maximum housing income ratio to be up to 28%. In 1999 approximately 3,093 households paid a mortgage that was a higher housing income ratio than 28%.

The following chart represents monthly rental costs as a percentage of household income in 1999. The following numbers include homes in 1999 that are leased out:

Gross Rent as a Percentage of Rental Household Income in 1999	Number	Percent
Less than 15.0 %	886	16.5
15.0 to 19.9 %	932	17.4
20.0 to 24.9 %	903	16.8
25.0 to 29.9 %	594	11.1
30.0 to 34.9 %	455	8.5
35.0 % or more	1,411	26.3
Not computed	180	3.4
Total	5,361	100

Typically, a rental property manager allows up to a 30 % rental housing income ratio. In 1999, 1,866 rental households paid more than 30% of their income to rent.

Income limits are also established by family size. The tables below demonstrate all of the income limits established at 100 %, 80 %, and 50 % of median family income in the year 2000 and 2006. The following tables are established by HUD and are referred to the Salt Lake County population.

According to HUD in 2000, a median family income of four in Taylorsville or Salt Lake County was \$53,400. According to HUD in 2000, a moderate family income of four in Taylorsville or Salt Lake County was \$42,700.

Family Size	Year 2000							
	1 person	2	3	4	5	6	7	8
50 %	\$18,700	21,350	24,050	26,700	28,850	30,950	33,100	35,250
80 %	\$29,900	34,200	38,450	42,700	46,150	49,550	52,950	56,400
100%	\$37,400	42,700	48,100	53,400	57,700	61,900	66,200	70,500

HUD updates family incomes by county or by metropolitan statistical areas every year. To understand the current income rates, according to HUD in 2006, a median family income of four in Taylorsville or Salt Lake County was \$61,400. According to HUD in 2006, a moderate family income of four in Taylorsville or Salt Lake County was \$49,100. The medium family income in 2006 is \$61,300, compared to \$51,553 in 1999. As stated above (page 1) the medium household income in 1999 was \$47,236.

Family Size	Year 2006							
	1 person	2	3	4	5	6	7	8
50 %	\$21,450	24,550	27,600	30,700	33,150	35,600	38,050	40,500
80 %	\$34,400	39,300	44,200	49,100	53,050	57,000	60,900	64,850
100%	\$42,900	49,100	55,200	61,400	66,300	71,200	76,100	81,000

An attachment includes property tax relief with benefits, eligibility, and examples of households obtaining the circuit breaker abatement and other exemptions or abatements.